

Canada-U.S. Free Trade Agreement

recognized that the trade deal will eliminate the fruit and vegetable industry in Canada. Consequently, 20 years have been given to adjust to the new competitive environment. That is the terminology that has been used in this agreement. That means 20 years to get out of the production of fruits and vegetables in Canada and into something else. In the deal there is also a snap-back provision which is supposed to protect the horticultural industry. However, people in the horticultural industry tell me that it will not protect them. By the time it can be put into effect, and it goes into effect if the prices drop below 90 per cent of the past average price, the Canadian market will be flooded. Most of our products are seasonal, and the U.S. season is two or three weeks earlier than ours. Consequently, people in the horticultural industry tell me that those products are on the market long before theirs and that they are unlikely to be able to stop that flood by any snap-back provision.

Growers must forgo the tariff protection if they increase production. That guarantees that Canadian producers can never increase their share of the domestic market. If they do then they will not have the snap-back protection that is supposedly available. This concession has grave implications for the 27,000 horticultural farmers and the 24,000 processors who are mostly located in Ontario, Québec, the Atlantic Provinces, and British Columbia.

Article 704 is supposedly the section where there is a guaranteed improvement as far as farmers are concerned. This is the article that applies to red meat. Article 704 is cited as the most substantial gain for Canadian farmers. The deal reflects the current practices and the situation as it presently exists between Canada and the United States. Secure access for red meats, which was what was supposed to be sought in this deal, was not achieved. The United States still has the power to put in place quantitative restrictions on Canadian exports, and the 1985 4.4 per cent per pound countervail on live hogs is grandfathered and remains in place. United States beef growers are looking for markets for their beef in Japan. They tell us that there is no room for expansion into their markets by our beef producers. In fact, they told me very specifically that, if California needed more beef, they would produce it in Montana.

The selling or importing of grain into Canada has been regulated in the past by the power of the Canadian Wheat Board to licence the import of wheat, barley, oats, and their products. Article 705 will eliminate this power of the board under certain conditions. Eventually, there will be no stopping grains. Cheaper and lower quality grains from the United States will have no problem replacing our production in certain areas, and at whose expense? Article 705 is a very significant curtailment of the powers of the Canadian Wheat Board. Now the two-price system is phased out. With increases in the price of grains it probably would have been phased out anyway, but the free trade deal will mean that it has to stay phased out permanently, because under the circumstances of the free trade structure it will be impossible for the two-price system to

be put back in place if it were ever required. That is or was a very significant portion of the stabilization program for wheat.

Other stabilization programs such as the Western Grain Stabilization Program are coming up for scrutiny. During the next seven years the Western Grain Stabilization and other agricultural programs which are meant to secure the farmers' income will come up for review, renegotiation or negotiation of a definition of subsidies. The Americans already consider them subsidies. Therefore, it is quite likely that programs such as Western Grain Stabilization, the Special Grains Program, and drought relief may be designated as subsidies and will also have to be phased out.

My colleague who just spoke suggested that Article 706 allows increases in quotas for chickens, turkeys, and eggs. The increase in those quotas seems small on the surface, but it is part of what the producers may put into the market. Therefore, it will affect the amount of products that they can put on the market in the future, and consequently it undermines the supply management programs in the feather industry.

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Madam Speaker, I am pleased to rise and speak to Bill C-130. In doing so, I would be remiss if I did not express my regret that Members of Parliament, because of Draconian measures introduced by the Government, are reduced to discussing something as important for Canada's future as the trade Bill, or what I would call the economic union Act between Canada and the United States, in a period of only 10 minutes.

• (2000)

It is instructive to note that, because the Government has never wanted, from day one, to have a comprehensive debate about what this economic union proposal between Canada and the United States really means. It has always been this Government's contention that the less Canadians know about the details involved in this proposal, the less Canadians understand all of the intricacies involved in this package, the better the Government's opportunity to sell this deal.

That is why it is tragic that the debate on free trade has been reduced to a discussion or a polling exercise among Canadians, whether or not they believe in free trade. There is nothing in Bill C-130 that in any way, shape, or form reflects the concept of free trade. Canadians are not being asked to judge, in reality, whether they are for or against free trade. Because being for or against, conceptually, philosophically, religiously, the notion of free trade, in my judgment is not a good enough reason to be for or against this deal.

This deal is not free trade. This is a comprehensive trade agreement that results in the economic unification of Canada and the United States. That is not free trade. So being conceptually for free trade is not a reason to be for Bill C-130. Being against conceptually free trade—if one were to be perfectly honest—is not even a good reason to be against Bill C-130. This is not free trade arrangement.